

INDEPENDENT AUDITOR'S REPORT

CITY OF BALTIMORE – MAYOR'S OFFICE OF TRANSPORTATION

**SELECTION OF WALLACE, MONTGOMERY AND
ASSOCIATES**

**PROJECT NUMBER 851 – REHABILITATION OF THE
LAFAYETTE AVENUE BRIDGE OVER AMTRAK**

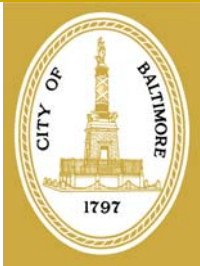
OCTOBER 2001



**City of Baltimore
Department of Audits**

CITY OF BALTIMORE

MARTIN O'MALLEY, Mayor



DEPARTMENT OF AUDITS

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City Auditor

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INDEPENDENT AUDITOR'S REPORT

August 17, 2001

Honorable Joan M. Pratt, Comptroller
And Other Members of the
Board of Estimates of the
City of Baltimore

We have examined the Mayor's Office of Transportation's assertion of the City of Baltimore's compliance with the Guidelines for Consultant Selection Procedures, approved by the Board of Estimates on March 12, 1997 and accepted by the State Highway Administration on June 17, 1998 on behalf of the Federal Highway Administration, applicable to the selection of Wallace, Montgomery and Associates for project number 851 (Rehabilitation of the Lafayette Avenue Bridge over Amtrak). This assertion is included in the accompanying letter to the Maryland State Highway Administration dated July 10, 2001. Management is responsible for the City of Baltimore's compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the City of Baltimore's compliance based on our examination.

Our examination was made in accordance with generally accepted auditing standards and *Government Auditing Standards* issued by the Comptroller General of the United States and, accordingly, included examining, on a test basis, evidence about the City of Baltimore's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. Our examination included interviewing various City of Baltimore officials involved with the consultant selection process for project number 851. We also examined documentation regarding compliance with applicable consultant selection procedures and principles contained in the Federal Acquisition Regulations and the Code of Federal Regulations. We have prepared a schedule of proposed costs and adjustments which is attached to this audit report. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination of the City of Baltimore's compliance with specified requirements.

In our opinion, based on our audit, management's July 10, 2001 assertion that the City of Baltimore complied with the Guidelines for Consultant Selection Procedures approved by the Board of Estimates on March 12, 1997 and accepted by the State Highway Administration on June 17, 1998 on behalf of the Federal Highway Administration applicable to the selection of Wallace, Montgomery and Associates for project number 851 (Rehabilitation of the Lafayette Avenue Bridge over Amtrak), is fairly stated in all material respects.

Respectfully submitted,

Yovonda D. Brooks, CPA
City Auditor

WALLACE, MONTGOMERY AND ASSOCIATES - PROJECT NUMBER 851
SCHEDULE OF PROPOSED COSTS AND ADJUSTMENTS

Cost Element	Cost Proposed	Cost Disclaimed	Cost as Adjusted	Notes
Direct Labor	\$103,751		\$103,751	
Indirect Costs				
Salary Escalation	0		0	
Overhead and Payroll Burden	128,630		128,630	1
Sub-total	<u>232,381</u>	<u>-</u>	<u>232,381</u>	
Subconsultants				
Edwards & Kelcey Inc.	85,394		85,394	2
E2CR, Inc.	82,500		82,500	3, 6
Sabra Wang & Associates	58,952		58,952	4, 6
A.D. Marble & Co., Inc.	29,127		29,127	5, 6
Sub-total	<u>255,973</u>	<u>-</u>	<u>255,973</u>	6
Other Direct Costs				
Travel	347		347	
Equipment, Materials, Supplies	13,045		13,045	
Contingency	162,626		162,626	
Sub-total	<u>176,018</u>	<u>-</u>	<u>176,018</u>	
Other				
Principal Cost	11,400		11,400	
Sub-total	<u>11,400</u>	<u>-</u>	<u>11,400</u>	
Estimated Price:	<u>675,772</u>	<u>-</u>	<u>675,772</u>	
Fixed Fee				
10% of Direct Labor and Indirect Costs	23,238		23,238	
Total Estimated Price:	<u>\$699,010</u>	<u>-</u>	<u>\$699,010</u>	

Notes:

- 1 Overhead rate of 123.987% used in cost calculation.
- 2 Overhead rate of 127.27% used in cost calculation.
- 3 Overhead rate of 127.00% used in cost calculation.
- 4 Overhead rate of 110.68% used in cost calculation.
- 5 Overhead rate of 127.00% used in cost calculation.
- 6 Three of the four subconsultants are Disadvantaged Business Enterprises and account for 32% of the total contract (excluding Contingency).

CITY OF BALTIMORE

MARTIN O'MALLEY, Mayor



DEPARTMENT OF PUBLIC WORKS

BUREAU OF TRANSPORTATION

417 E. Fayette Street
Baltimore, Maryland 21202

July 10, 2001

Mr. Gary Gray, Chief
Federal Aid Section
Maryland State Highway Administration
707 North Calvert Street
Baltimore, Maryland 21202

Dear Mr. Gray:

This is to certify that the Guidelines for Consultant Selection Procedures approved by the Board of Estimates of Baltimore City on March 12, 1997 were followed for the selection of Wallace, Montgomery & Associates, as the most qualified Consultant for Rehabilitation of the Lafayette Avenue Bridge (BC 2410) over Amtrak Railroad.

Sincerely,

FREDERICK MARC, CHIEF
TRANSPORTATION ENGINEERING DIVISION

FM/RKC:irmc

cc: Mr. Michael E. Rice
Mr. Robert MacLeod
Mr. Dan Rocks
File



CITY OF BALTIMORE

GUIDELINES FOR CONSULTANT SELECTION PROCEDURES

APPROVED BY THE BOARD OF ESTIMATES ON MARCH 12, 1997

CITY OF BALTIMORE
GUIDELINES FOR CONSULTANT SELECTION PROCEDURES

PREAMBLE

Pursuant to the provisions contained in the Resolution Relating to Architectural & Engineering Services as approved June 29, 1994, the following rules, standards and procedures for the selection of architectural and engineering (A&E) Firms for competitive negotiations procurement are hereby adopted by the Board of Estimates.

1. APPLICABILITY

- 1.1. The guidelines specified herein apply to the selection of Consultants involving architectural and engineering services with a value of \$25,000 or more.

2. REQUEST FOR PROCUREMENT OF CONSULTANT SERVICES

- 2.1. The User Agency shall submit the written request form to the Office of Boards & Commissions (OBC) to advertise for the procurement of consultant services. The written request must include, but not be limited to, the following information:

- Name of project
- Discipline required for prime consultant
- Capital Improvement Program number
- Location of project
- Range of professional service fee in accordance with Standard Federal Form 254
- Estimated duration of contract for architectural and engineering services
- Other professional disciplines required of prime or subconsultant (list as many as may apply), i.e.,

Mechanical Engineering
Electrical Engineering
Traffic Engineering
Civil Engineering
Structural Engineering
Geo-technical Engineering
Environmental Engineering
Chemical Engineering

- Scope of work
- Selection criteria (in descending order of importance)
- MBE/WBE or DBE Goals
- Name, title and telephone number of User Agency contact person
- Agency contact person
- Budget number for project

- Source of funds for professional services:

_____ Federal _____ Local
 _____ State _____ Other (indicate)

- Presubmittal meeting information if necessary.

2.2. The OBC will provide a standard form for these requests.

3. ADVERTISEMENT FOR SERVICES

3.1. The OBC shall, with the cooperation of the User Agency, prepare an advertisement that includes, but is not limited to, the information provided under Section 2.1. The User Agency shall be given the opportunity to review and approve the advertisement before publication.

3.2. OBC advertises for services in two newspapers with a daily circulation.

3.3. Application will be due within 30 days or less from the date of advertisement.

4. OBC REVIEW OF SUBMITTALS

4.1. The OBC receives the submittals for the advertised project.

4.2. The OBC reviews the submittals for prequalification with the City, proper MBE/WBE or DBE participation, inclusion of any required licenses or certifications, and for completeness.

4.3. The OBC produces a long list of approved and disapproved firms.

4.4. The OBC transmits the long list and copies of the approved firms' submittals to the contact person for the User Agency.

4.5. Within two weeks of closing date, OBC will send a letter to each firm that has provided a submittal for a project, advising whether the firm has been approved or deemed not qualified for further participation in the project.

5. USER AGENCY RESPONSIBILITIES

5.1. Creation of Short List:

5.1.1. The Director of the User Agency shall appoint a long list review panel consisting of a minimum of three persons and select a panel chairperson for each project.

5.1.2. The Project Manager for the User Agency shall meet with the chairperson to assure that the selection criteria for reviewing/reducing the list of firms was consistent with the criteria identified in the advertisement for the project.

- 5.1.3. The Project Manager, chairperson, or the Director of the User Agency, shall assign a maximum amount of points to each of the selection criteria.
- 5.1.4. The members of the long list review panel shall review the submittals for each approved firm on the long list. This panel shall consist of at least three persons. Only one person from this panel shall be permitted to serve on the interview panel. Notwithstanding this limitation, a Project Manager on the long list review panel may participate as a nonvoting member of the interview panel.
- 5.1.5. The members of the long list review panel shall rate each firm on the approved long list and assign a numerical rating to each based on the selection criteria.
- 5.1.6. The chairperson shall then rank the firms on the long list according to score.
- 5.1.7. The long list review panel shall determine the number of firms to be included on the short list for interviewing purposes. The panel shall consider the following factors in making his or her decision:
 - (1) Only firms deemed having a reasonable chance of being selected should be interviewed.
 - (2) In an instance in which services of one firm are sought, a short list consisting of the five (5) top ranked firms is appropriate. In an instance in which services of two firms are sought, a short list consisting of the top six or seven firms is appropriate.
 - (3) It is preferred that all interviews be accomplished in a single day.
 - (4) In an instance where fewer than five firms applied and/or were approved by OBC for the long list, it is within the User Agency's discretion to proceed with the consultant selection process or request that the project be readvertised.

5.2. Selection of Interview Panel Members:

- (1) A chairperson and four other panel members shall be selected by the Director of the User Agency.
- (2) No more than two persons from any City Agency may be utilized on a single interview panel.
- (3) Only one representative of the User Agency who has served on the long list review panel can serve on the interview panel. However, if the Project Manager served on the long list review panel and is not chosen for the

interview panel, he shall be allowed to participate as an extra non-voting member of the interview panel.

- (4) A majority of panel members shall have professional qualifications for participating on specific projects.
- (5) OBC may elect to establish and maintain a pool of qualified interview panelists.

5.3. Preparation for Interviews:

- (1) The chairperson shall brief each panel member as to the nature of the project and the professional services sought.
- (2) If possible, the chairperson should provide each panelist with the submittals, scoring sheets and other necessary information in advance of the interview.
- (3) User agency shall schedule interviews and notify all applicants of their status within 30 days of receipt of the long list. If there is a delay in the project, user agencies shall notify each applicant of such delay.
- (4) The chairperson shall notify each firm on the short list of the User Agency's intent to interview the firm. Such notice shall include the following information:

A blank copy of the scoring sheet to be utilized during the interviewing process including a clarification as to the number of points assigned to each selection criteria. The total of the points in raw score should equal 100.

A list of actual or proposed dates for the interviews.

The time limit for that particular interview.

The chairperson shall also notify, in writing, each firm that does not make the short list.

5.4. The Interview:

- (1) The duration and format of interviews are largely a matter of the chairperson's discretion. It is customary, though not essential, that the chairperson introduce the panel to each firm, allow the firm to present, and then allow panel members to ask questions.
- (2) At the close of each interview, each panel member shall provide to the chairperson a sheet, clearly signed, that provides the selection criteria scores for each firm.

- (3) In the presence of the entire panel, the chairperson shall fill in the composite scoring sheet, and convert raw scores into rankings. Then the chairperson shall tally by ranking.
- (4) All panel members shall sign at the bottom of the composite sheet. The chairperson shall then make a copy for each panel member.
- (5) The chairperson shall forward the results of the interviews to the Director of the User Agency for approval.

5.5. Agency Recommendations:

The Director of the User Agency may accept or recommend not to accept the results as presented. If the Director of the User Agency recommends not to accept the results as presented, such recommendation shall be made to the Architectural & Engineering Awards Commission for consideration in public session.

If the Director of the User Agency accepts the results as presented, the Director will submit a request for award of the project to the Architectural & Engineering Awards Commission (AEAC). The following information/forms should be included in the package to the Executive Secretary of AEAC:

- Cover memorandum requesting that the award be scheduled for the next public meeting of the AEAC.
- A/E Request for Award Form
- Copies of the composite and individual scoring sheets for the project
- Short description of the project
- List of firms appearing on the Request for Award form including name of firm, address, contact person and telephone number for contact person
- OBC's long list of firms transmitted to User Agency
- OBC's advertisement for the project

6. ARCHITECTURAL & ENGINEERING AWARDS COMMISSION

- 6.1. The Executive Secretary of the AEAC or his designee receives and date stamps the request for award package.
- 6.2. The Executive Secretary reviews the package for completeness.
- 6.3. A public meeting of the AEAC is scheduled to hear the award of project(s).
- 6.4. AEAC places a notice in the appropriate newspapers including the time, date and place of the meeting and the agenda for the meeting with projects (numbers and description) listed in order scheduled for presentation.
- 6.5. AEAC notifies the User Agency(s) and all firms appearing on the Request for Award form(s) for scheduled projects of the Meeting.

6.6. AEAC meeting is held.

- (1) User Agency designee makes a presentation detailing the selection process for the project.
- (2) AEAC members ask any appropriate questions and make comments as necessary.
- (3) Public questions and comments are permitted.
- (4) AEAC advises User Agency in writing of its decision as to its approval or disapproval of the list as submitted and any revisions thereto.
- (5) Providing the list is acceptable, AEAC advises the User Agency to begin competitive negotiations with the top ranked firm.
- (6) AEAC advises top ranked firm, in writing, to contact the User Agency to begin competitive negotiations.

7. WAIVERS AND VARIANCES

7.1. Waivers from specific guidelines and/or variances may be granted by the Board of Estimates or when appropriate, the Architectural and Engineering Awards Commission, upon the receipt of a written request from the User Agency stating the reason(s) the waiver and/or variance is required.

8. USER AGENCY/CONSULTANT COMPETITIVE NEGOTIATIONS

8.1. The User Agency shall initiate negotiations with the selected consultant or top ranked firm. The meeting, to include a representative from the Department of Audits, will be held to discuss the following:

- (1) Project requirements/considerations, goals, etc.
- (2) Identification of the project coordinator contact person for the City.
- (3) Administrative requirements
- (4) Detailed scope of work, project schedule, construction schedule/requirements.
- (5) Project completion/deadline
- (6) Completed or current studies
- (7) Cost factors to be utilized include overhead and fee
- (8) Project budget (including design, construction, inspection and related costs)
- (9) Establishment of a deadline for submission of preliminary proposal

8.2. Upon receiving the consultant's preliminary proposal, the User Agency and the representative of the Department of Audits:

- (1) Review scope of work and task breakdown
- (2) Review MBE/WBE or DBE requirements
- (3) Review consultant's team including rates of pay and escalation

- (4) Discuss professional services agreement format
- (5) Negotiate man-hours and fees
- (6) Review complete fee summary
- (7) Review financial support data

8.3. Upon receiving the consultant's preliminary draft agreement, the User Agency shall:

- (1) Review agreement format, project scope, task breakdown, schedule and 5700 form
- (2) Verify requirements of prime and subconsultants
- (3) Submit advance copy of draft agreement to the Department of Law and the Department of Audits

8.4. The consultant will then submit a final draft agreement. The User Agency shall:

- (1) Review the final draft agreement.
- (2) Prepare Expenditure Authorization Request (EAR).
- (3) Have six original agreements executed by the consultant.
- (4) Forward MBE/WBE or DBE package to the Equal Opportunity Compliance Office.
- (5) Submit to the Department of Law for review and approval.

8.5. The EAR and contract are submitted to the Board of Estimates for consideration.

9. BOARD OF ESTIMATES

9.1. The Board of Estimates reviews, approves, disapproves or defers the award of the contract.

10. TIME TABLE FOR SELECTION/APPROVAL PROCESS

10.1. The completion of the entire consultant selection and approval process should not exceed seven (7) months. In the event the process is not completed within the seven month period, the User Agency must provide a written statement to the Architectural and Engineering Awards Commission advising as to the reason the process could not be completed within the allotted time period.

10.2. If the Board of Estimates approves the award of the contract, the Notice to Proceed is then issued to the consultant.